Catfish is now on the menu in 900 Church's units.

Church's unveils $5M catfish ads

By Mark Schoifet

SAN ANTONIO — Church's Fried Chicken is spending $5 million to convince the American public that the catfish it serves is not the kind found scavenging the bottoms of muddy rivers.

The chain is bolstering its national rollout with spot television, radio and direct-mail advertising that illustrates Church's catfish as both farm-raised and grain-fed. Catfish, now in about 900 of Church's 1,500 units, accounts for about 15% of unit sales.

"Our research showed that there are many people who believe catfish is a bottom-feeding mudfish, something you'd find on the bottom of the Mississippi River," said Fred Gonzales, vice president of marketing. "People buy our fish; they find it doesn't smell. It's white. All of that comes from the fact that it's farm raised and grain-fed."

The campaign, handled by Grey Advertising, Los Angeles, features two 30-second television spots promoting the product as a "new and exciting" menu item that "tastes fresh, not fishy." It is aimed at the 18-49 age group.

Originally one of the TV spots contained a chorus singing "Have some catfish, some catfish from Church's" to the tune of the Hallelujah chorus from Handel's *Messiah*. But the music was changed after some viewers objected to its religious connotation. The lyrics, however, remained basically unchanged.

Church's, which now accounts for an estimated one-third of all farm-raised catfish consumed in the United States, said it believes the rollout has given it an almost insurmountable lead on the rest of the fast-food industry. Gonzales equated the marketing campaign to what McDonald's did with its pace-setting Chicken McNuggets rollout.

"We feel our introduction of nuggets was a defensive strategy," Gonzales said, "but the catfish is really an offensive strategy."

He said it would be "very difficult" for another chain to implement a major catfish program because of the exclusivity of some of Church's purchasing arrangements. "People could not get into this category very easily now," Gonzales said.

The rollout is expected to be completed by the end of the month.

Church's markets its catfish in three price points: a three-piece snack with such extras as french fries, jalepeño, coleslaw and hush puppy for $1.99; six pieces plus extras for $3.69, and 15 pieces and extras for $6.99.

The catfish is dipped in batter, rolled in seasoned corn meal and deep-fried.

For 2 chefs, Manhattan is the Big Apple of their eyes

Puck to tailor menu to New Yorkers

NEW YORK — Wolfgang Puck, chef-owner of California's Spago and Chinois on Main, is coming east to open a restaurant in the heart of midtown Manhattan.

Puck is in New York this week to negotiate a lease for a 6,500-sq.-ft. site in the Equitable Life Assurance Building on West 50th Street.

"It will be something new," Puck said, adding that the concept would be "tailored to New York tastes." He said he was coming here because "it was always my dream."

Spago, Puck's three-year-old, 140-seat restaurant on Hollywood's Sunset Strip, is credited with popularizing California cuisine, with dishes like pizza made with Santa Barbara shrimp and baby lamb sausage atop buffalo-milk mozzarella.

Chinois on Main in Santa Monica features Puck's interpretation of Oriental cuisines. He also owns 30% of Tokyo's Spago, a close replica of the original.

Puck said he hopes to open the New York restaurant by the end of the year.

Another California chef, Jonathan Waxman, opened the acclaimed Jams in New York last spring. Chef Jeremiah Tower and Michael McCarty, who owns Michael's in Santa Monica, are also searching for Manhattan sites.

Wolfgang Puck

K-Paul's plays N.Y. for month

NEW YORK — Cajun chef Paul Prudhomme will be relocating his restaurant, K-Paul's Louisiana Kitchen, to Manhattan for one month.

From July 22 through Aug. 23, he will close his New Orleans operation and move his entire staff to an already existing restaurant on New York's Upper East Side.

He said the New York restaurant—jokingly referred to as "K-Paul's-on-the-road-East"—will offer the standard K-Paul's menu.

It will be the second time Prudhomme and his staff have set up temporary quarters in another city. In 1983 he opened K-Paul's in San Francisco, also for one month.

Paul Prudhomme

'Food away from home' sales outpace supermarkets

By Diane Hatcher

WASHINGTON — Consumer demand for restaurant meals and other "food away from home" is now growing almost 50% faster than sales of food in supermarkets and grocery stores, according to new market figures released by the Commerce Department.

Total U.S. spending on food-away-from-home has climbed 9.3%, to $113 billion, during the Government's 1984 fiscal year, compared with a markedly smaller 6.3% rise in spending on food served at home, the department's new Bureau of Economic Analysis Statistics indicate.

Total consumer food expenditures for the fiscal year ended last Sept. 30 reached $395 billion, up by 7%, or $26 billion, from the previous year's figure.

But Americans appear to be tightening up on overall food expenditures, according to the report. Disposable income increased by about 10%, to $2,600 billion, last year, while the percentage going to food fell by four-tenths of a per cent, the Commerce Department figures showed.

Spending for food at home is still about twice as high as for that away from home, but the percentage of food dollars being spent for eating out grew three times as fast during the final quarter of fiscal year 1984.

The percentage of the consumer dollar being spent on alcohol was on the increase as well last year, and despite widespread efforts to decrease drinking and driving, the figures indicate that away-from-home alcohol consumption rose by a slightly larger percentage than did at-home drinking.

Bars and restaurants poured more than $20 billion dollars' worth of beer, wine and liquor last year, up a healthy $1.2 billion from the statistic of the previous year. That's a 6% increase from what was spent in 1983.

Alcohol consumption at home wasn't far behind, rising just under 5% for the same period. At-home drinking still accounts for 60% of the total drinking dollar, though, at $33.8 billion last year.

COMMODITIES

Eliminating antibiotics in feed affects poultry prices

By Gary S. Friedman

There has been a lot of press lately on the use of antibiotics in animal feed. At least one major Southwest cattle feeder has voluntarily ceased that practice before additional regulation and bad publicity make it less a matter of choice and more of an issue.

Antibiotics and other means of increasing growth rates or controlling the outbreak of disease in herds or flocks impact the efficiency of production, which will of course directly affect wholesale prices.

The poultry market has been amazingly successful in increasing the efficiency of production year after year through lesser reliance on chemical means. In real terms the cost of production has been declining for the last 20 years and with that wholesale prices, too. A quick view of that data will indicate that, for the same period of time, price movements have been roughly 50% of the inflation rate. Of course, there are aberrations, as was the case last year, when prices at the wholesale level increased 10%, far exceeding the inflation rate for 1984.

What makes that general trend for the last 20 years so amazing is that the single largest component in broiler production is outside the producer's control. Feed costs are 60% of the total cost of raising broilers for market.

A great deal less production efficiency has been attributed to the use of chemical antibiotics in broilers than to the use in cattle. That is partially due to economic differences between the two industries. It is simply economically unfeasible to treat each bird individually, as is often done in the case of a herd of cattle. The amount of loss through the destruction of one bird does not even approximate a single percentage of the potential loss of one head of cattle.

Therefore the poultry industry has been forced to get more efficiency out of genetics and breeding than has any other group in the animal complex.

What will all of that efficiency bring us in the short run in terms of wholesale prices? Current supplies of broilers are adequate. Cost of production is in the mid-40¢/lb. range against a whole price of upper 40's to low 50's. As far as breakeven margins go, this is a good year for broiler production, which should control price increases.

Look for prices to remain in the high 40's on the wholesale level through Labor Day. Past Labor Day expect them to break to the mid-40's once more, reflecting more price competition from the hog cycle entering the market pipeline.

PRICE MOVEMENT AT A GLANCE

Cash Prices	4/3/85	Year Ago
Broilers, dressed "A" N.Y. lb.	$0.4843	$0.6052
Butter, AA Chgo lb.	01.41½	01.43¼
Eggs, lrg white Chgo dz	0.62-0.65	0.99
Flour, HRW, KC cwt.	9.95	10.15
Pepper, black, N.Y. lb.	1.74	0.94
Pork Bellies, 12-14 lb., Mid-U.S. lb.	0.59	0.64
Potatoes, rnd white, 50 lb. FOB Maine	2.00	3.68

Source: NRN research

FOCUS | NRN

COVER STORY

C-STORES: NEW ROUTES TO FAST-FOOD PROFITS

By Mark Schoifet

Whether they are perceived as a threat from outside the ranks or as merely another growing segment of the food-service industry, convenience stores can no longer be taken lightly by anyone involved in fast food.

No longer is the c-store an outlet used primarily by hurried blue-collar workers who need a loaf of bread and a quart of milk on the way home from work. Customers can now withdraw money from an automatic teller machine. They can also pick up the mail, rent a video cassette and order flowers. But most of all a customer can eat there. And he or she can eat a lot more than just a microwave grilled-cheese sandwich.

The c-store industry is keenly aware of the growth potential of fast food. Spurred by high profit margins on fast food, chain executives are tailoring their marketing strategies and new-store designs to accommodate a greater emphasis on food service. The major trade group, the National Association of Convenience Stores, is sponsoring fast-food workshops around the country. And suppliers are peppering the pages of c-store trade publications with ads for chicken nuggets, cooked beef, friers, hotdog machines and soda fountains.

The types of fast food offered at the 55,000 convenience stores in the United States and Canada are as varied as the markets they serve. Circle K sells 10 types of burritos under its Old Santa Fe label in the Southwest. In Miami the chain is testing a Cuban sandwich that contains two types of cheeses, luncheon meats and barbecue pork on a special bread.

Huntley-Jiffey, a 290-unit chain based in the Southeast, sells fried okra. And the Carmi, Ill.-based Huck's Convenience Stores has rolled out Polish sausages, which sell well in predominantly black and southern markets, according to the 112-unit chain.

And more and more chains are discovering the high profit margins that go hand-in-hand with a successful on-premises fried chicken program. The Pantry, a 468-unit chain based in Sanford, N.C., has invested $70,000 in chicken equipment at a prototype store in Greensboro. The unit is reportedly posting sales of between $4,200 and $5,000 a week in chicken and deli sales alone. More than 60 Pantry units have chicken operations.

Top, 7-Eleven, with 7,473 units nationwide, is at the forefront of the push toward greater fast-food sales. Above, a coupon from an ongoing Circle K promotion. Right, the interior of a Circle K unit.

"With the high quality of people we're hiring, and with the system we're developing, we feel that with a relatively low capital expenditure, we can do as well as a smaller Kentucky Fried Chicken unit," Pantry's director of operations, Chuck Grubbs Jr., said in a recently published interview.

In perhaps the most blatant example of the c-store industry's incursion into the fast-food market, Huck's is testing drive-thru service at units in Mount Vernon, Ill., and Union City, Tenn. The drive-thru menu features fried chicken, breakfast sandwiches, deli sandwiches and fountain drinks, according to Randy Fulkerson, vice president of Huck's. Orders are placed through a two-way speaker system, and prices are listed on a menu board. The window service is available from 6 a.m. to midnight; the store itself is open around the clock.

"Wendy's and McDonald's—they're fast-food oriented. They're built around it," Fulkerson said. "We've got to get away from our image. We've got to become more fast-food-oriented."

At the forefront of the push toward greater fast-food sales and the leader in other industry segments as well is the giant 7-Eleven chain, which is believed to sell more cups of coffee than any restaurant chain, including McDonald's. The 7,473-unit chain is nearly three times as large as its nearest competitor, the 2,650-unit Circle K.

On the heels of its recent introduction of fresh hotdogs and nachos, 7-Eleven is rolling out five new croissant sandwiches—egg; egg and sausage; ham and American cheese; turkey; ham and Swiss cheese, and a subcroissant with salami, bologna and cheese. The sandwiches, which are microwave heated before they are served, are currently in about 3,500 stores, according to Lorraine Kudla, marketing manager in the fast-food division of the Southland Corp. of Dallas, 7-Eleven's parent company.

"The croissant sandwiches are targeted at the customer, particularly the health-conscious man or woman, who is looking for something lighter than our other sandwiches," Kudla said.

Kudla said 7-Eleven is continuing its emphasis on the hotdogs and nachos through various promotions. On the West Coast, she said, a 3-for-$1 hotdog special has been very successful. "They cannot keep them in stock," she said. "They're selling extremely well."

Kudla echoed a sentiment shared by other industry executives that the quality of c-store food has risen over the past few years. She said the nachos served at 7-Eleven stores "compare favorably to anything you might find at Taco Bell or a place like that."

Meanwhile, 7-Eleven continues to test various new products in different markets, including salad bars and the JT's Bakery and Sandwich Shop concept. The JT's concept, now in about 70 Texas units, features fresh-baked pastries and clerk-served fresh deli sandwiches. The chain is also one of several in the industry that are testing or installing sit-down eating areas.

The leader in the sit-down arena is probably the Houston-based National Convenience Stores, which operates 1,110 Sunbelt stores under the Stop-N-Go, Shop-N-Go, Hot Stop and Colonial logos. NCS is experimenting with a new prototype called The Hex, which is named for its hexagonal shape. The 3,300-sq.-ft. unit includes a 12-seat dining area and a revamped fast-food section. About 25% of the selling space is devoted to fast food.

The Hex is the latest element of a fast-food program that began to take off five years ago. Since then, NCS has

(See C-STORES, page F7)

LEADING U.S. COMPANIES OPERATING C-STORES

Company	Headquarters	Store Names	No. of units
The Southland Corp.	Dallas	7-Eleven	7,473
The Circle K Corp.	Phoenix	Circle K Little General UtoMi	2,860
Convenient Food Mart*	Rosemont, Ill.	Convenient Food Mart	1,220
Cumberland Farms	Canton, Mass.	Cumberland Farms	1,189
National Convenience Stores	Houston	Stop-N-Go, Shop-N-Go Colonial, Hot Stop	1,110
Mumford	Atlanta	Majik Markets	835
Atlantic Richfield (ARCO)	Los Angeles	AM/PM Mini Market	760
Lawson Milk Co.**	Cuyahoga Falls, Ohio	Lawsons	667

*90% franchised
**division of Consolidated Foods

Source: *NRN* research

FOCUS | NRN

Fast food equals fast growth for Circle K

PHOENIX — The fast-food program at Circle K reflects the aggressiveness and innovation of the fastest-growing chain in the convenience industry.

In the past five years, Circle K has grown from a 1,194-unit chain with sales of $533 million to a 2,650-unit system with sales of more than $1 billion. Thanks to the acquisition of the UtotM and Little General chains, Circle K has spread beyond its original western base to markets in 23 states. In its latest expansion venture, last month Circle K paid an undisclosed amount of cash for 21 Day-N-Nite c-stores in northern California.

Circle K views fast food as one of its key growth areas, and it is consistently updating its program to meet changing consumer needs. Last month the chain rolled out a low-calorie line of sandwiches under the Deli Fresh Lite label. The brand is targeted at working women and white-collar men, rather than the blue-collar male, the traditional c-store patron.

Like other chains, Circle K tailors its menus geographically. It sells 10 types of burritos under its Old Santa Fe label in the Southwest. In Miami, Circle K is testing a Cuban sandwich that contains two types of cheeses, luncheon meats and barbecue pork on a special bread. "We don't want to be carrying a barbecue pork sandwich in Seattle, for example," said Stephen Schwitalla, vice president for food service.

Self-service fast-food area at a Circle K outlet.

The Deli Fresh Lite introduction follows several other new-product rollouts, including ham-and-cheese croissants, pizza burritos in two flavors under the Pizza Grande label and a variety of breakfast biscuits.

"We're targeting fast foods as our primary marketing thrust," said Schwitalla. "It's the single-fastest-growing category for convenience stores as far as real growth is concerned."

During fiscal 1984 fast food sales jumped 26%, to $53 million, or 8% of merchandise sales. That percentage was expected to rise to 10.5% this year. The chain defines fast food as coffee, fountain drinks, Mexican products, tea, soup, hamburgers, hot chocolate, tray foods and pizza.

Circle K is currently in the midst of a capital improvement program that calls for the remodeling of about 250 stores per year. The new floor plan gives the fast-food section a prominent position in a high-traffic area. Schwitalla said fast-food accounts for about 25% to 30% of the floor space.

As part of the interior design of the remodeled stores, backlit photographs of Circle K's fast-food products are interspersed along the company's signature color band in an effort to promote the program.

Aiding Circle K's drive toward increased fast-food sales is the 18,500-sq.-ft. commissary in Phoenix. It produces some 30 products under Circle K's Deli-Fresh and Old Santa Fe Mexican labels. It also manufactures Deli-Pride sandwiches and El Monterey Mexican products for sale to more than 1,000 outside customers.

C-STORES: NEW ROUTES TO FAST FOOD

'Consumers name lack of value, seating and cleanliness as major disadvantages c-stores face.'

(Continued from page F5)

equipped more than 600 units with complete fast-food centers, including microwave ovens, beverage areas, product display cases and condiment areas.

NCS defines its fast-food category as deli sandwiches and hot foods, fountain drinks, coffee, pastries and ready-to-eat, single-serve frozen foods. The chain says fast food has a combined weighted profit margin of 56%, compared with average merchandise margins of 36% to 38%. Fast food accounts for about 12% of in-store (nongasoline) sales, and NCS hopes to boost that figure to 16% by 1987.

V. H. "Pete" Van Horn, president and chief executive of NCS, said the chain is particularly proud of its Hot Stop deli sandwich line.

"The industry has traditionally merchandised sandwiches as if they were canned drinks, hidden in the cooler vault in the back of the store," Van Horn said. "Our Hex design includes a sandwich merchandiser built into the sales counter, displaying this important category attractively in a high-traffic area."

It is estimated that fast food accounts for about 11%, or $3.5 billion, of annual merchandise sales in the c-store industry. Analysts expect that percentage to climb toward 20% in the second half of the decade. Using the $3.5 billion estimate and comparing it with fast-food sales figures supplied by the National Restaurant Association, c-stores accounted for 8% of all fast-food sales in 1984.

At some chains the increasing emphasis on fast-food sales is dramatic. In the past three years, the fast-food sales percentage at the Phoenix-based Circle K has nearly doubled, from 5.5% in fiscal 1982 to 10.5% this year. From 1980 to 1982, the chain recorded annual fast-food sales of about $23 million. Fiscal 1984 fast-food sales totaled $51.7 million.

At 7-Eleven, which recorded $6 billion in 1983 sales, the definition of fast food is less clear. The company breaks down sales by principal product category, rather than by specific product line. Under those guidelines, soft drinks, baked goods and "other food items" accounted for 18.5% of total sales.

One of the traditional attractions in the move toward fast food is, of course, the higher-than-average profit margins. They averaged 42% for fast food in 1983, according to an industry report. By contrast, the margin on gasoline, which accounted for $15 billion, or 34% of all c-stores sales in 1983, was only 4%. Margins for tobacco averaged 30%.

C-stores have made vast inroads into the fast-food market over the last few years, but more promotion is needed to change the public's primary perception of the convenience store as a place to buy staples. That is one of the conclusions drawn from a Gallup survey sponsored late last year by *Convenience Store News*, the leading industry newspaper.

The poll found that 18% of the respondents (1,016 adult consumers) named some type of fast food when they were asked which products are sold in c-stores. When asked, "Which of the following kind of places would you most likely go to—a deli, convenience store, fast-food restaurant or supermarket—if you wanted takeout food for breakfast, lunch and dinner?" 15% named c-stores. That pales in comparison with other categories, restaurants, delis and supermarkets.

When asked the advantage of buying fast food at a c-store, 29% picked "fast or quick," 12% choose "easy to get to" and 8% chose "reasonable, cheap prices."

Other findings and conclusions drawn from the survey were:

- Young customers (18-24) believe c-store fast food lacks quality, while baby boomers (25-34) and others perceive c-store food as too expensive.
- Variety in product selection, including fast foods and tie-ins, such as beverages and snacks, is a major competitive advantage for c-stores.
- Consumers name lack of value, seating and cleanliness as major disadvantages that c-stores face in competing with restaurants.

Worker prepares sandwiches at a Convenient Food Mart in Louisville.

FINANCIAL NEWS

Index down 1.0 to 118.6; losers beat gainers 5-3

NEW YORK — Slipping for the second week, the *Nation's Restaurant News* Food-Service Operators Stock Index dropped 1 point in the week ended April 4, to close at 118.6

Declining issues beat advancers 49 to 32, with 24 unchanged, on the full 105-issue *NRN* list.

The Dow Jones Industrials Average in the same week, which was shortened by Good Friday, fell 7.73, to 1,259.05, despite a late rally sparked by news that the Republicans had agreed on a U.S. budget plan.

Hilton Hotel shares changed hands 215% faster than the previous 12-week average and closed up $7.13, to $69.63, after Golden Nugget moved to take over the company.

Other percentage-price gainers included Nathan's, Calibre Corp., Capt. Crab, Prime Motor Inns, Old Fashioned Foods, Cucos, A&M Food Services and Servico.

Percentage-price losers were led by Hungry Tiger, off 75¢, to $5.25. Also: Skippers, down $1.13, to $10.13. Allegheny Beverage, off $1.88, to $17.75. Nankin Express, down 13¢, to $1.25. Concept Development, down 75¢, to $10.25.

VOLUME TREND LEADERS

Company Name		Volume Trend Change %	Company Name		Volume Trend Change %
Hilton Hotels	N	215.1	Morrison Inc	M	44.2
Old Fashion Fd	M	131.0	Jerrico Inc	M	41.3
Capt Crab	M	86.6	Hamburg Hamlet	O	26.3
Transworld	N	74.0	Cucos Inc	O	16.2
Concept Dev	O	63.2	Skippers	M	13.9

TOP TEN GAINERS

Company Name		Weekly Price Change %	Company Name		Weekly Price Change %
1 Potato 2	O	20.0	Prime Mtr Inn	N	6.9
Nathans	O	18.5	Old Fashion Fd	M	5.0
Calibre Cp	M	14.3	Cucos Inc	O	4.5
Hilton Hotels	N	11.4	A&M Food Svcs	M	4.5
Capt Crab	M	10.5	Servico Inc	M	4.2

TOP TEN LOSERS

Company Name		Weekly Price Change %	Company Name		Weekly Price Change %
Hungry Tiger	M	- 12.5	Vicorp Restaurants	M	- 6.5
Skippers	M	- 10.0	Ryans Fam Steak	M	- 5.9
Allegheny Bev	M	- 9.6	Chi-Chi's	M	- 5.6
Nankin Express	O	- 9.1	Sonesta Intl	M	- 5.6
Concept Dev	O	- 6.8	Intl King Tab	M	- 5.4

Stock Market / Financial Update

Company and Market	4-04-85 Close	Price: Weekly Change Amt.	Price: Weekly Change Pct.	Price: Weekly Range High	Price: Weekly Range Low	Price: 52-Week Range High	Price: 52-Week Range Low	Volume: Weekly Shares Traded Total	Volume: Weekly Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume: Volume Trend Change	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	As % Out	%	-	$	%	-	-	-	$Mill	%	$Mill	%	$	%	$Mill	%	$Mill	%	$	%
Food-Service Operators																													
A&M Food Svcs M	5.75	.25	4.5	5.75	5.38	7.50	3.50	55	.15	1.25	- 88.0	18.0	.00	.0	.....	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests O	4.38	.00	.0	4.63	4.38	5.00	3.50	115	.46	.61	- 24.6	15.1	.00	.0	.....	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants O	3.88	.00	.0	4.13	3.88	6.00	2.38	30	.13	.45	- 71.1	20.4	.00	.0	.....	9 mos.	10-84	4.6	17.9	.1	.0	.02	- 60.0	13.6	25.9	.3	.0	.12	- 40.0
Assoc Hosts M	12.50	- .63	- 4.8	13.13	12.25	17.13	10.88	896	2.03	2.76	- 26.4	15.1	.12	1.0	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char A	2.38	.00	.0	2.63	2.25	4.13	1.75	207	.36	.75	- 52.0	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Benihana Natl M	20.25	.13	.6	20.38	20.13	21.75	9.63	159	.55	4.61	- 88.1	22.0	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms M	19.50	- .25	- 1.3	20.00	19.25	20.25	14.75	1,050	.65	1.03	- 36.9	18.1	.30	1.5	.....	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp M	1.00	.13	14.3	1.00	0.75	7.25	.75	40	.13	.44	- 70.5	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food M	11.63	- .25	- 2.1	12.00	11.63	13.25	7.25	621	1.37	3.17	- 56.8	18.5	.16	1.4	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab M	2.63	.25	10.5	2.63	2.38	6.13	1.38	5,973	3.90	2.09	86.6	NE	.00	.0		3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp N	10.13	- .13	- 1.2	10.50	10.00	11.50	7.13	202	.26	1.17	- 77.8	13.7	.07	.7	NEW	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's M	10.50	- .63	- 5.6	10.75	10.25	18.25	10.00	6,464	2.40	4.72	- 49.2	16.7	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc M	26.75	.25	.9	27.50	26.50	27.50	12.75	735	1.63	2.57	- 36.6	39.3	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch N	37.75	.13	.3	38.50	37.38	38.50	22.75	2,148	1.14	2.07	- 44.9	16.7	.80	2.1	.....	fiscal	12-84	182.4	20.2	14.5	79.0	.77	140.6	533.2	17.3	42.6	34.8	2.26	36.1
Collins Foods N	21.00	- .50	- 2.3	22.00	20.75	22.13	9.91	1,488	1.13	1.36	- 16.9	15.9	.16	.8	.....	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev O	10.25	- .75	- 6.8	10.75	10.00	16.69	5.75	1,123	2.17	1.33	63.2	13.3	.00a	.0	.....	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts M	4.88	.13	2.6	4.88	4.75	7.25	4.63	113	.32	.34	- 5.9	13.9	.08	1.6	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant M	5.25	- .13	- 2.3	5.38	4.88	13.50	4.50	757	1.66	2.18	- 23.9	NE	.00	.0	NEW	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel M	14.00	.00	.0	14.50	13.75	23.50	11.75	96	.27	1.20	- 77.5	16.9	.14	1.0	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc O	5.75	.25	4.5	6.25	5.50	5.75	2.75	150	.86	.74	16.2	44.2	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods M	10.00	.00	.0	10.13	9.88	16.75	8.00	15,522	4.60	7.05	- 34.8	18.5	.34	3.4	.....	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DiLites Of Amer M	13.75	- .25	- 1.8	14.00	13.63	15.50	10.88	873	1.73	3.99	- 56.6	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts M	27.13	.00	.0	27.38	27.13	28.00	18.88	652	1.37	2.58	- 46.9	13.9	.32	1.2	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico M	10.25	.25	2.5	10.38	10.00	10.88	7.25	368	.79	1.71	- 53.8	13.1	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest N	14.88	.50	3.5	15.13	14.63	15.13	9.13	1,090	.98	.99	- 1.0	15.3	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	110.0	.19	35.7	250.1	18.7	11.1	42.3	.97	42.6
Fast Food Oper O	.69	.00	.0	0.75	0.69	1.63	.63	184	.31	.59	- 47.5	9.8	.00	.0	.....	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes M	6.50	- .13	- 1.9	6.63	6.38	9.13	5.13	1,185	1.70	2.88	- 41.0	NE	.00	.0	.....	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker O	1.50	.00	.0	1.88	1.50	6.75	1.50	108	.64	.66	- 3.0	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's A	20.50	.00	.0	20.50	20.13	20.88	12.00	24	.05	.15	- 66.7	17.7	.22	1.1	.....	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc M	9.38	- .13	- 1.3	9.50	9.25	15.25	8.50	2,387	3.67	4.22	- 13.0	NC	.00	.0	.....	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot M	2.25	- .06	- 2.7	2.38	2.19	6.38	1.63	720	1.20	2.24	- 46.4	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.88	.00	.0	0.94	0.81	3.75	.25	895	3.02	2.92	3.4	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hamburg Hamlet O	14.25	.50	3.6	15.00	13.75	14.50	9.75	17	.24	.19	26.3	7.7	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	5.25	- .75	- 12.5	5.88	5.25	7.00	3.63	96	.33	2.26	- 85.4	27.6	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen O	42.50	- 1.00	- 2.3	44.50	42.50	50.50	37.50	50	.25	.30	- 16.7	11.9	.00	.0	.....	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab M	21.75	- 1.25	- 5.4	23.25	21.75	24.75	11.59	474	1.66	3.46	- 52.0	16.2	.00a	.0	.....	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest M	19.50	- .25	- 1.3	19.88	19.38	21.50	10.38	490	2.11	4.84	- 56.4	15.7	.20	1.0	.....	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc M	17.88	- .75	- 4.0	18.63	17.63	19.50	13.00	9,018	5.71	4.04	41.3	13.0	.12	.7	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp A	2.25	.00	.0	2.38	2.13	3.88	1.13	43	.19	.76	- 75.0	3.5	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	17.38	.25	1.5	17.50	17.00	29.63	13.50	1,010	1.43	3.06	- 53.3	10.4	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston M	.88	.00	.0	0.94	0.81	7.25	.75	957	1.12	3.24	- 65.4	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	27.88	.00	.0	28.00	27.63	32.00	23.63	160	.13	.40	- 67.5	18.3	.54	1.9	.....	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp M	16.50	.13	.8	16.63	16.38	17.13	11.88	53	.10	.38	- 73.7	10.7	.28	1.7	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	83.00	- .13	- .2	84.00	82.50	86.38	59.50	1,387	.54	.72	- 25.0	16.6	.54	.7	.....	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest O	2.50	.00	.0	2.63	2.50	6.25	2.25	17	.03	.31	- 90.3	31.3	.00	.0		fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's O	4.00	.00	.0	4.13	4.00	6.25	2.50	22	.12	.78	- 84.6	NE	.00	.0	.....	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp N	58.38	- .88	- 1.5	59.88	58.00	62.38	40.84	4,922	.57	1.13	- 49.6	13.3	.82	1.4	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
Morrison Inc M	19.13	.13	.7	19.13	18.63	19.25	13.25	3,409	2.48	1.72	44.2	12.8	.48	2.5	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak O	2.75	- .13	- 4.3	3.00	2.75	3.13	1.13	163	.34	1.26	- 73.0	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express O	1.25	- .13	- 9.1	1.63	1.25	2.50	1.00	62	.28	1.04	- 73.1	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans O	4.00	.63	18.5	4.13	3.50	4.50	1.78	327	1.47	1.82	- 19.2	16.0	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Nati Pizza M	8.75	.25	2.9	9.25	8.50	9.75	7.50	35	.06	.18	- 66.7	9.7	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc M	5.63	.13	2.3	6.13	5.50	10.13	4.75	3,358	7.53	6.83	10.2	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 O	1.50	.25	20.0	1.63	1.25	12.25	1.25	198	.90	1.57	- 42.7	30.0	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

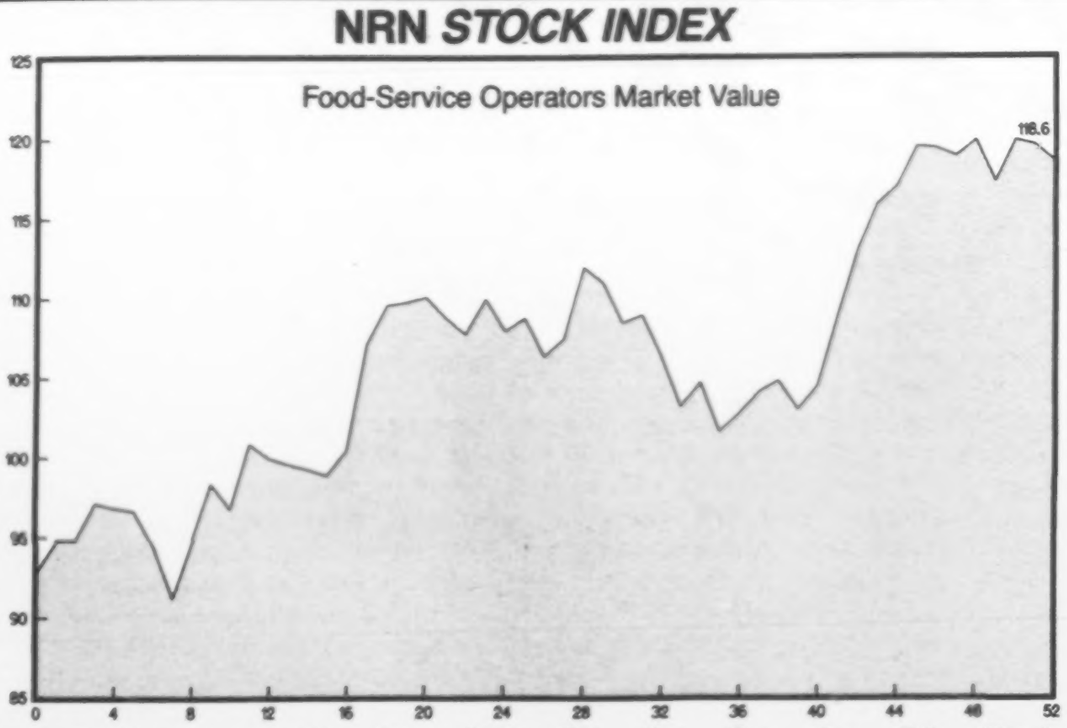
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FINANCIAL NEWS

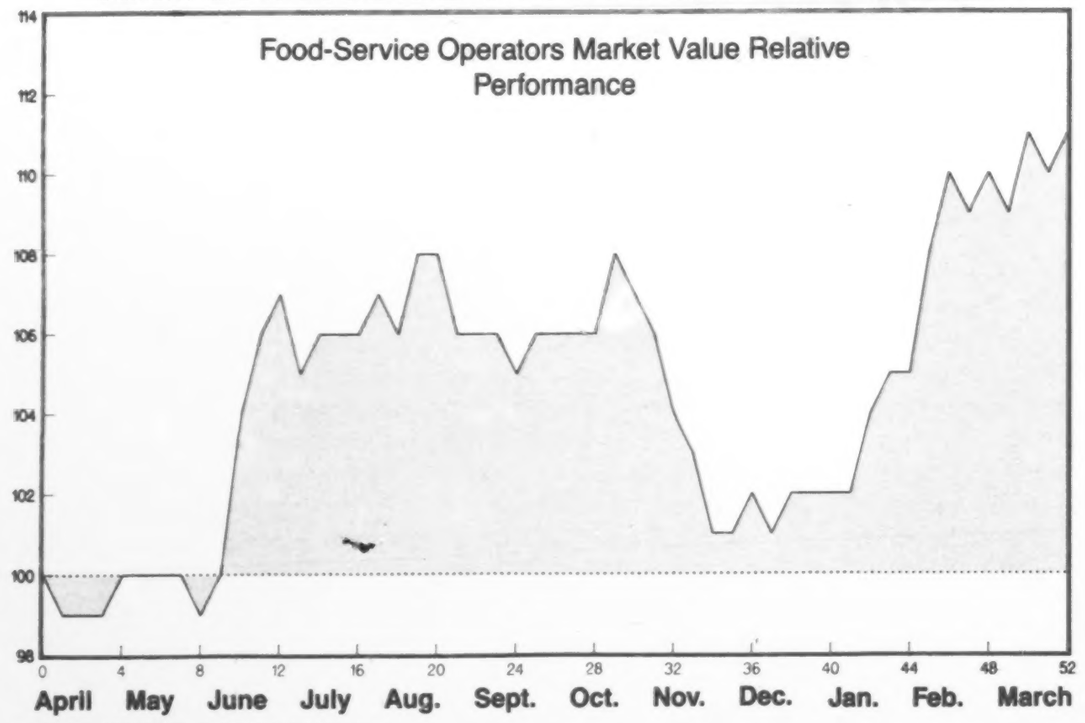
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



Source: Media General Financial Services

Stock Market / Financial Update

Company and Market	4-04-85 Close	Price: Weekly Change Amt.	Price: Weekly Change Pct.	Price: Weekly Range High	Price: Weekly Range Low	Price: 52-Week Range High	Price: 52-Week Range Low	Volume: Weekly Shares Traded Total	Volume: Weekly Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume: Trend Change	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd M	5.25	.25	5.0	5.25	4.50	6.25	4.00	94	.67	.29	131.0	10.3	.09	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet M	7.25	.13	1.8	7.25	7.00	8.25	5.88	639	1.72	5.54	- 69.0	12.9	.13	1.8	.....	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest M	.44	.00	.0	0.44	0.38	3.38	.25	1,347	1.56	5.91	- 73.6	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	22.75	.38	1.7	22.75	22.50	24.25	16.50	181	.30	1.78	- 83.1	13.2	.60	2.6	.....	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn A	8.88	- .13	- 1.4	9.13	8.75	12.75	6.88	160	.53	1.10	- 51.8	17.1	.08	.9		fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks M	10.13	.13	1.3	10.25	10.00	16.63	8.75	136	.31	.95	- 67.4	14.1	.00	.0	.....	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys N	13.38	- .25	- 1.8	13.75	12.88	22.88	11.50	769	.80	3.38	- 76.3	7.8	.40	3.0	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	2.75	.00	.0	2.88	2.75	4.63	2.38	138	.41	1.14	- 64.0	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants M	9.75	.00	.0	9.75	9.25	16.38	8.00	258	.38	1.12	- 66.1	23.8	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.00	- .13	- 1.5	8.25	7.88	8.88	5.38	55	.19	1.13	- 83.2	14.5	.00	.0	.....	fiscal	12-84	34.6	- 2.8	.5	- 44.4	.20	- 47.4	132.4	- 6.2	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	15.25	- .50	- 3.2	15.75	14.75	16.50	9.00	137	.59	1.19	- 50.4	17.1	.00	.0		fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D M	2.88	.00	.0	3.00	2.75	8.00	1.75	153	.30	1.30	- 76.9	NE	.00	.0	.....	fiscal	12-84	3.3	50.0	(2.7)	NC	(.52)	- 100.0	13.9	87.8	(4.3)	NE	(.83)	NE
Rusty Pelican M	14.50	.13	.9	14.75	14.50	18.25	11.00	84	.30	2.10	- 85.7	19.3	.00	.0	.....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	16.00	- 1.00	- 5.9	17.00	16.00	17.75	11.19	1,024	1.59	2.08	- 23.6	31.4	.00	.0	.....	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp N	29.75	- 1.00	- 3.3	30.63	29.50	35.50	25.88	680	.52	2.01	- 74.1	11.7	.52	1.7	.....	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef M	7.75	- .25	- 3.1	8.25	7.75	9.75	6.75	73	.58	.86	- 32.6	12.7	.00	.0	.....	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley M	8.63	.13	1.5	9.00	8.38	11.00	6.50	1,411	3.87	6.89	- 43.8	4.4	.00	.0		fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc M	28.13	.25	.9	28.25	27.63	28.38	16.22	1,713	.60	1.72	- 65.1	24.7	.15	.5	.....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	14.50	- .38	- 2.5	15.00	14.50	16.59	11.00	291	.52	1.20	- 56.7	11.6	.00	.0	.....	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp O	4.50	.00	.0	5.00	4.50	8.00	3.25	23	.15	.82	- 75.8	NE	.00	.0	.....	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	19.00	.25	1.3	19.13	18.75	20.00	9.25	315	.46	1.00	- 54.0	13.7	.00	.0	.....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.13	- 1.13	- 10.0	11.00	10.13	12.50	8.00	651	2.38	2.09	13.9	10.9	.06	.6	.....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	5.38	- .13	- 2.3	5.50	5.25	5.88	3.75	623	1.25	4.48	- 72.1	15.4	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Taco Viva M	6.38	- .22	- 3.3	6.38	6.13	7.50	4.66	192	.56	1.40	- 60.0	18.2	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.08	60.0	12.2	74.3	.6	100.0	.17	30.8
TGI Friday's N	11.13	.00	.0	11.63	10.88	13.13	7.88	398	.35	1.02	- 65.7	17.1	.00	.0	.....	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	9	.06	.21	- 71.4	NE	.00	.0		6 mos.	06-84	2.9	31.8	(.1)	NC	(.06)	- 100.0	5.5	25.0	(.2)	NC	(.13)	- 100.0
Transworld N	33.50	- .88	- 2.5	35.25	33.00	37.63	24.50	14,213	4.35	2.50	74.0	10.7	.40	1.2	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	5.00	- .25	- 4.8	5.13	5.00	5.75	2.75	819	1.30	3.55	- 63.4	12.5	.28	5.6		3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	25.00	- 1.75	- 6.5	26.50	23.75	26.88	13.25	3,228	4.86	4.68	3.8	18.9	.12	.5	.....	fiscal	10-84	87.9	145.5	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations M	4.13	- .13	- 2.9	4.13	3.88	7.75	2.13	665	1.87	3.85	- 51.4	NE	.00	.0		9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	17.25	- .38	- 2.1	17.75	17.00	17.75	9.94	5,381	.73	2.27	- 67.8	18.4	.21	1.2		fiscal	12-84	244.2	24.1	17.6	18.9	.24	20.0	939.1	31.3	68.7	24.5	.94	23.7
Wstn Steer M	9.50	- .25	- 2.6	9.50	9.50	12.00	9.00	2	.02	.53	- 96.2	16.7	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	6.25	- .25	- 3.8	6.50	6.13	13.38	5.13	240	.53	1.02	- 48.0	16.9	.00	.0	.....	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.88	- .13	- 4.2	3.00	2.75	6.00	2.63	609	.46	.87	- 47.1	NE	.10	3.5	.....	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels N	69.63	7.13	11.4	73.50	62.50	73.50	45.50	13,969	5.64	1.79	215.1	16.1	1.80	2.6	.....	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns N	53.13	1.25	2.4	53.88	51.50	53.88	35.25	5,699	1.63	4.07	- 60.0	14.8	1.00	1.9	.....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	25.13	1.63	6.9	25.63	23.38	25.63	12.66	1,360	.70	1.36	- 48.5	24.4	.09	.4		6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns N	8.00	.13	1.6	8.25	7.63	8.25	5.13	10,386	2.79	2.54	9.8	61.5	.00	.0		fiscal	12-84	152.2	13.4	(2.1)	- 100.0	(.05)	- 100.0	600.2	4.9	4.7	11.9	.13	.0
Servico Inc M	18.75	.75	4.2	19.00	18.50	22.28	13.41	44	.13	.48	- 72.9	8.8	.00a	.0	.....	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl M	25.50	- 1.50	- 5.6	27.00	24.50	27.00	17.50	14	.09	.12	- 25.0	7.5	.40	1.6	.....	fiscal	12-84	19.1	6.7	5.9	NE	3.83	NE	81.2	10.6	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	17.75	- 1.88	- 9.6	18.00	17.00	22.63	13.50	1,421	2.37	2.92	- 18.8	10.7	.40	2.3	.....	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	9.38	- .25	- 2.6	9.63	9.13	14.56	7.25	601	1.27	1.25	1.6	NM	.48	5.1	.....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	77.00	- 1.75	- 2.2	78.25	76.25	81.13	45.25	2,743	.81	2.42	- 66.5	63.1	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods O	2.13	.00	.0	2.38	2.13	3.13	1.13	98	.42	.94	- 55.3	23.6	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	55.75	- 2.38	- 4.1	58.75	55.63	60.63	45.75	5,745	1.27	2.10	- 39.5	13.3	2.24	4.0	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R N	40.63	- 1.25	- 3.0	41.88	40.38	44.50	36.50	1,820	.38	.80	- 52.5	10.1	2.80	6.9	.....	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart A	10.75	.38	3.6	11.38	10.13	20.00	8.63	1,392	1.13	1.60	- 29.4	15.1	.00a	.0	.....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	30.38	- .88	- 2.8	31.38	30.00	31.88	24.13	564	.30	1.01	- 70.3	14.6	1.80	5.9	.....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	54.38	- .25	- .5	54.63	52.38	55.25	37.88	18,957	1.98	2.13	- 7.0	24.2	1.68	3.1	.....	fiscal	12-84	2272.8	- 1.4	(43.1)	- 100.0	(.32)	- 100.0	7698.7	8.5	200.8	- 29.3	2.25	- 25.2
Pillsbury Co N	49.00	.00	.0	49.50	48.75	49.50	34.50	2,141	.49	1.32	- 62.9	11.1	1.56	3.2	.....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	12.50	- .13	- 1.0	12.75	12.25	15.25	10.50	600	.55	1.29	- 57.4	20.5	.23	1.8	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

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Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

-C5150-5

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—Focus/F3-28

Price-less menu attracts customers to Juliano's
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—Page 3

Nation's
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The Weekly Newspaper of the Food-Service Industry

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Sales lag sparks new product boom

Menu additions: Cure for ailing profits?

RECENT NEW PRODUCTS AT MAJOR CHAINS

Long John Silver's	Chicken nuggets	Mrs. Winner's	Baked chicken breast filet
Burger King	Breakfast croissant sandwiches	Morrison	Deli cases, bakeries, soup and salad bars
Wendy's	Breakfast omelets and sandwiches	Pizza inn	Pasta bar, stuffed pizza

Source: *NRN* Research

***NRN* Special Report**

NEW YORK — New-product fever is gripping the industry as Long John Silver's rolls out chicken nuggets, Church's launches a catfish blitz, Taco Bell researches breakfast items and other chains step up development of new menu offerings.

Menu expansion emerged as the chief remedy for lagging sales growth, increased competition and skyrocketing construction and marketing costs at a two-day conference of top chain executives and institutional investors.

"In prosperous times you grow with new units," commented El Chico vice president John Cuellar. "But in times of decline you either have to reduce costs per meal or increase sales per unit" through menu expansion.

Jerrico chairman Warren Rosenthal revealed that the company's Long John Silver's Seafood Shoppes are hopping on the chicken nuggets bandwagon, joining McDonald's—which started the craze in 1983—Kentucky Fried Chicken, Church's and Bojangles'.

Asked by a Wall Street investor whether Jerrico had planned any other "ingenious" new products, Rosenthal declared: "We've been copied enough. Why not give us a turn?" He

*(See **NEW PRODUCT**, page 83)*

Alcohol sales holding firm

72% of operators weather the storm

***NRN* Special Report**

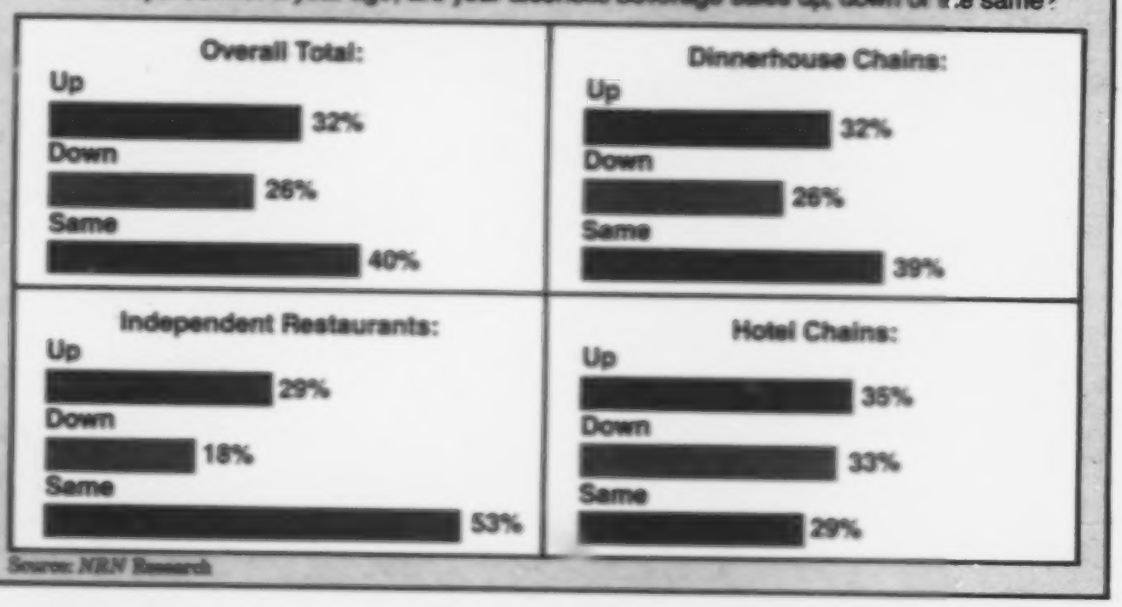
Amidst mounting public pressures for drunk-driving crackdowns, some restaurateurs indicate they are weathering the controversy unscathed.

An exclusive *Nation's Restaurant News* survey of 131 of the top-grossing dinnerhouse chains, independent restaurants and hotel chains shows that 32% of them reported alcoholic beverage sales had increased in the past year and 40% reported steady sales trends, for a combined total of 72%, suggesting they were weathering the storm.

But 26% of the operators said wine, beer and spirits sales had slipped.

ALCOHOLIC BEVERAGE SALES HOLD THEIR OWN

Q: Compared with a year ago, are your alcoholic beverage sales up, down or the same?



Source: *NRN* Research

Two-thirds of them, or 68%, attributed the drop to wider temperance, strict new drunk-driving laws or a raised drinking age. And yet their average declines were less than 10%, while the operators who reported gains averaged 15% sales increases.

*(See **ALCOHOLIC**, page F3)*

McDonald's rolls biscuits

Plans to accelerate foreign-unit growth

By Richard Martin

HOUSTON — McDonald's is rolling out its three biscuit breakfast sandwiches chainwide following successful tests first in the South and most recently in New England, New York and other Northern markets.

At the same time, McDonald's executives confirmed that within four or five years the chain will be opening the same number of new outlets in foreign countries as in the United States. In 1984 the chain opened a total of 526 new units, 182 of which were in foreign countries.

*(See **BISCUIT**, page 83)*

INSIDE NRN

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Tiny operation becomes mecca for mushrooms

By Paul Frumkin

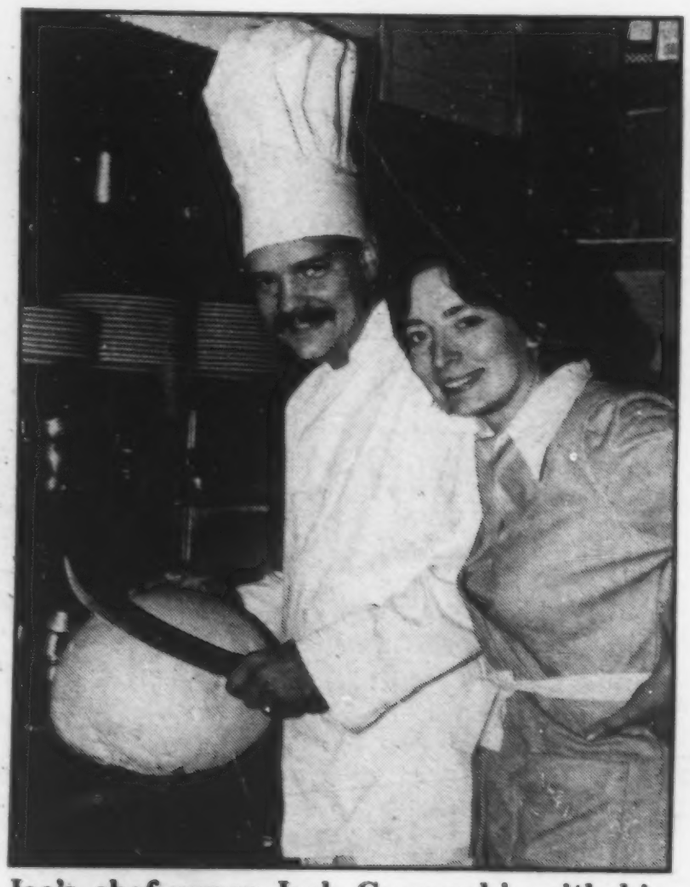
READING, Pa. — Jack Czarnecki *knows* wild mushrooms. In a good year this Reading restaurateur may use up to a 100 different varieties in dozens of thoughtful mushroom-inspired dishes he prepares at his family's 50-seat operation, Joe's.

What's more, Czarnecki apparently knows how to find mushrooms as well. He estimated that last year he and his family harvested at least several hundred pounds of mushrooms.

Mushrooms appear in nearly every dish offered at Joe's—a curious characteristic that has been developing since the 1950's, when Jack's father, Joseph, began to experiment seriously with wild-mushroom cookery.

Over the years Joseph, and later Jack, continued to add to the growing repertory of mushroom dishes, enhancing the restaurant's reputation as something of a wild-mushroom

*(See **MUSHROOMS**, page 12)*



Joe's chef-owner Jack Czarnecki, with his wife, Heidi, prepares to cut into a giant mushroom.

Burger giants, La Quinta eye joint ventures

Breakfast boom spurs co-development bids

By Peter Romeo

SAN ANTONIO—McDonald's, Burger King and Wendy's have approached La Quinta Motor Inns about developing their restaurants alongside La Quinta, according to executives of the economy-priced motel chain.

"It's not the first time we've talked to fast-food chains, but there's more interest now because they're serving breakfast," said Bob Moore, executive vice president and chief development officer of La Quinta.

Negotiations with the three burger chains "are still in the early talking stages" and center around "specific situations where we both may profit by developing together," Moore said. He added that none of the four parties has a targeted number of sites. They hope for a joint development.

In past co-development arrangements with a number of restaurant chains, La Quinta has usually retained ownership of the site, offering the feeder a build-to-suit lease. In some instances the motel chain has sold the land to the restaurant operator or offered a ground lease.

Moore emphasized that the parent chain or a franchisee would operate the freestanding fast-food outlets. Joint development of a site with one of the burger chains would be a "marriage of convenience" benefiting both parties, he added.

"In some markets the chains encounter landlords with large parcels of land who aren't willing to carve out a chunk to build a restaurant on," Moore explained. "The site could be big enough for both a hotel and a restaurant.

"By developing and leasing freestanding restaurants next to our inns, we provide convenient dining facilities to our guests while remaining free to concentrate on our lodging needs," Moore said.

La Quinta has previously teamed up with a number of independent feeders and restaurant chains, including Denny's, Cracker Barrel, Bob Evans Farms, JoJo's, Coco's, Waffle House, Shoney's and Hot Biscuits.

Fast-food outlets may offer an advantage because "the speed with which breakfast is

*(See **LA QUINTA**, page 83)*

Clifton's saved from demolition

Landmark L.A. cafeteria gets loan to make city-required renovations

By Richard Martin

LOS ANGELES — Earthquake susceptible Clifton's Brookdale Cafeteria, with its indoor redwood "forest" and mountain brook, has been saved from demolition by a $1 million loan package that will enable the 50-year-old downtown landmark—reputedly one of the highest-volume public cafeterias in the world—to meet seismic safety regulations.

Closing this week for the first time in its history, the 365-day-a-year institution will lose about $1 million in sales during a two-month-long installation of a steel building frame, Clifton's owners said. Four more months of city-required structural rehabilitation will be done to the 700-seat, three-level cafeteria at Broadway and Seventh Street after it reopens in June.

Clifton's Brookdale serves between 5,000 and 7,000 patrons a day, with meal tabs of about $4, producing annual sales of approximately $6 million—almost three times the per-store volumes of the other five Clifton's owned by Los Angeles-based Clinton's Restaurants Inc.

"We dislike closing about as much as anything I can imagine," said Donald Clinton, who, along with his sister, Jean Clinton Roeschlaub, owns the $17 million-a-year company. The two are fourth-generation cafeteria proprietors, whose great-grandfather started the first family business in Los Angeles in 1888 with a restaurant in the old train station.

John Lennon(left), manager of Clifton's Brookdale Cafeteria. At right, long-time Clifton's patron Thomas Sweeney, who first visited the cafeteria with his father in 1939.

Following the family tradition of concern for their fellow man, the Clintons will pay the Brookdale unit's 200 employees between 75% and 90% of their regular wages during the eight-week closure, which will also cost an estimated $100,000 in lost profit.

The owners of the picturesque old cafeteria will feel the break in a custom that began with their father, Clifford Clinton. The son of missionaries, he learned of the ravages of poverty and hunger from boyhood experiences in China.

After the family's restaurant business, Clinton's, was sold in San Francisco, Clifford Clinton combined parts of his first and last names and founded the first Clifton's in Los An-

*(See **CLIFTON'S**, page 73)*

Pettis named president of Godfather's

Pete Pettis
New Godfather's president

Jefferson quits after 3 months

By Don Jeffrey

ITASCA, Ill. — After less than three months as chief executive of Godfather's, Everett Jefferson has resigned and has been replaced by executive vice president Pete Pettis, according to parent Diversifoods.

Because Pettis, a 40-year-old veteran of Wendy's and Gino's, has dealt primarily with franchisees, his promotion to president and chief operating officer is seen as a strong signal that Godfather's is trying hard to mend fractured relations with dispirited franchisees.

In a similar vein, Diversifoods said it plans to move Godfather's headquarters from Costa Mesa, Calif., where it has been less than a year, back to Omaha, Neb., where Willie Theisen began the chain nine years ago.

Godfather's has been a major disappointment for Diversifoods and its shareholders. Last year its revenue went up 7.5%, to $121 million, while its operating profit fell 94%, to $978,000. At year-end there were 895 total units—237 company owned and 658 franchised.

Jefferson, a Pizza Hut veteran, became Godfather's chief executive in January, after Diversifoods' board forced the resignations of the previous chief, Charles Boppell, and the parent's top executive, Don Smith. Jefferson was unavailable for comment, and Diversifoods declined to say why he had left.

Pettis was one of many new executives Boppell hired last year to steer the chain toward becoming more of an operating company. But high costs associated with the hirings, the move to Costa Mesa and the establishment of regional offices hurt Godfather's bottom line, as did falling average unit sales

*(See **GODFATHER'S**, page 83)*

March sales rebound, hit 3.6% annual growth rate

WASHINGTON — Sales at the nation's eating and drinking establishments rose at an annual rate of 3.6% in March, to $10.5 billion, the Commerce Department said in its earliest and broadest gauge of retail trade.

March's rise was a rebound from a revised 2.7% annual rate in February and closed the year's first quarter at a 3.5% rate. Last year's first-quarter industry growth rate was 10%.

The figures are not adjusted for inflation, which in February pushed menu prices upward by 3.9% over the year-ago level. The figures are also not adjusted for seasonal variations.

Analysts said sales rebounded in March because unusually severe winter weather had depressed February sales.

"March was getting better as the month went on," said Ben Crabtree at Dain Bosworth in Minneapolis.

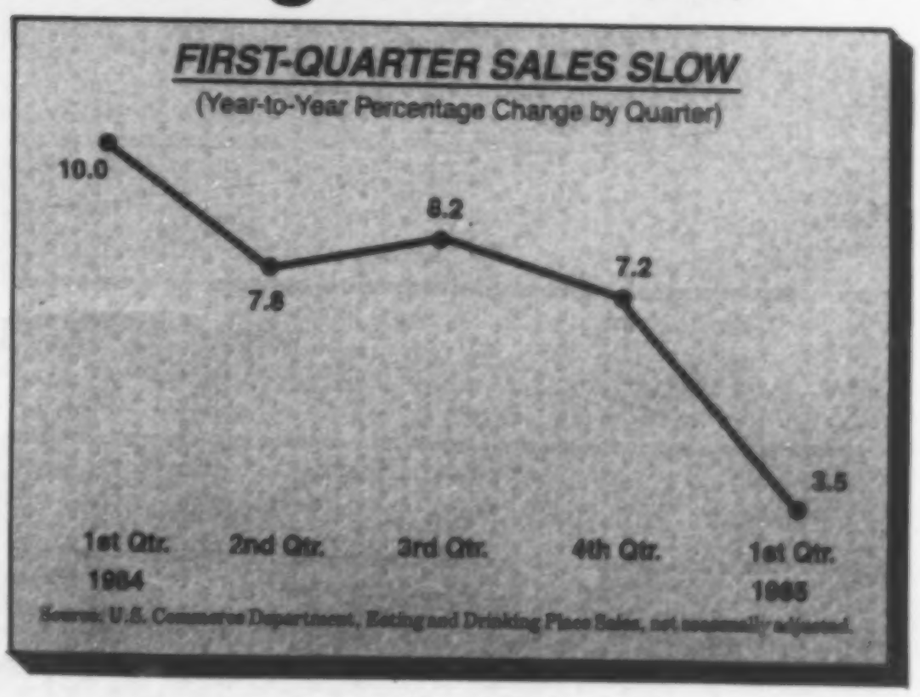
"Sales started to pick up in the last part of February when the weather broke," said Steven Rockwell at Alex. Brown & Sons in Baltimore.

But the analysts were also quick to question the statistics as subject to revision in coming months and as underestimating the strength of March's rebound.

"Usually the direction of the Commerce Department numbers is correct. But the magnitude of the direction is rarely right," said Rockwell.

"I'm still surprised by the strength in January," said Crabtree, referring to a 4.2% estimate from the Government. "Most companies didn't have a good January. You have to take these numbers with a plate full of salt."

"The 3.6% rise in March," said Andrew Smukler at Provident National Bank in Philadelphia, "is lower than I would have expected from my contacts in the industry."



IRS: Barron Hilton can buy father's stock

BEVERLY HILLS, Calif. — The Internal Revenue Service has tentatively ruled that Hilton Hotels chairman Barron Hilton may exercise an option to purchase 25.4% of the company's shares outstanding from the estate of his late father, Conrad Hilton.

At the time of the ruling, Hilton Hotels revealed it had raised its bank credit lines from $250 million to $600 million.

Conrad Hilton, founder of the hotel chain, had specified in his will that Barron Hilton had the option of buying the 6.8 million shares if tax provisions prevented the Conrad Hilton Foundation, a charitable group, from assuming ownership of the stock. The stipulations entitled Barron Hilton to purchase the shares at the then-prevailing price of $24.20.

Earlier, Golden Nugget Inc. offered to buy the stock for $72 a share, or $488 million. Stephen A. Wynn, chairman of Golden Nugget, said at the time that if the bid was accepted, the company would make the same cash offer for all Hilton shares.

Estate executor James E. Bates rejected Golden Nugget's bid, which he called "inadequate."

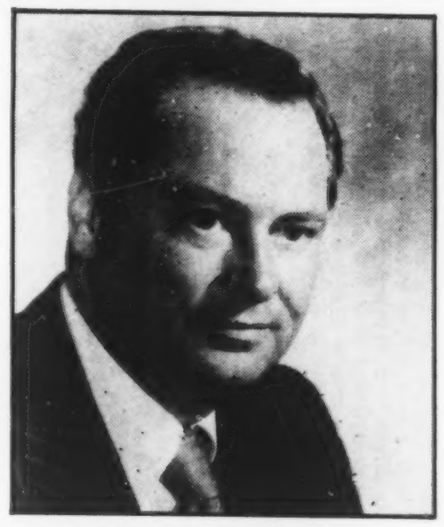
Since Conrad Hilton's death in 1979, the estate has maintained that Barron Hilton does not have the right to exercise his option to buy the stock, which should become the property of the Conrad Hilton Foundation. The state of California has agreed with the estate's contention.

The dispute has yet to be decided by a probate court. Further hearings are scheduled for this month.

The IRS ruling is subject to court approval.

Wynn indicated that the IRS ruling did not deter him and he is willing to open negotiations with the estate. He said it is obligated as a fiduciary to accept the highest offer for the stock.

Analysts expect Barron Hilton to raise his bid above the $488 million offered by Golden Nugget if courts overturn the IRS ruling.



Barron Hilton

G. D. Ritzy's brakes expansion, looks for recovery

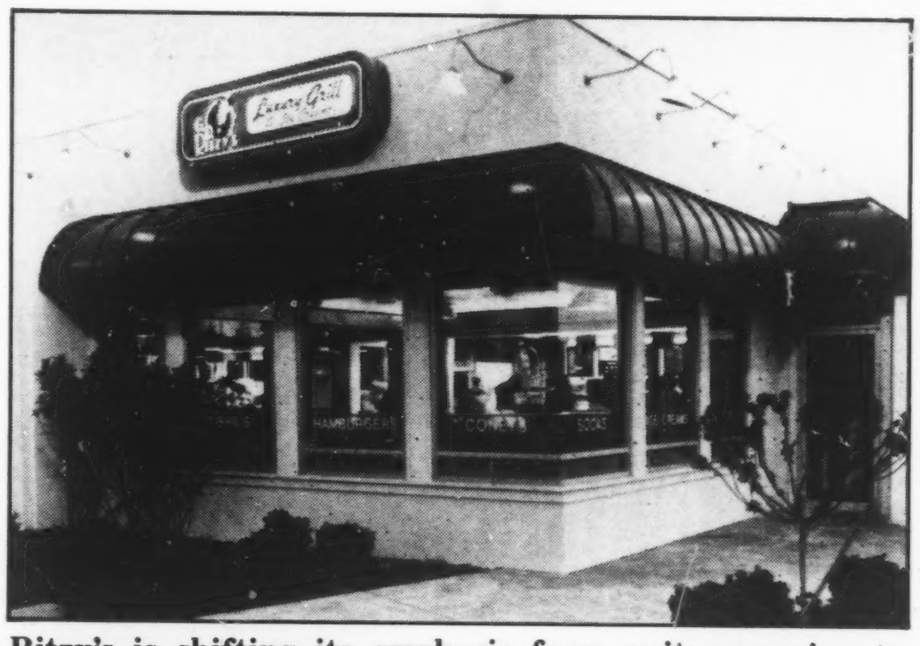
By Howard Riell

COLUMBUS — Officials of the beleaguered G. D. Ritzy's Luxury Grill & Ice Cream chain said they would slow overly aggressive expansion plans and concentrate on improving unit operations.

Graydon Webb, Ritzy's founder, chairman and chief executive, said his 80-unit chain would beef up unit management and slow the pace of current franchise schedules as part of the shift in emphasis "from an administration philosophy to a service, operational orientation."

Executives said that, while there was no "hit list" of units to be closed, circumstances may necessitate closings by the end of June.

At the same time, the company will roll its packaged retail ice cream out to between 90 and 140 additional stores throughout Ohio. Ritzy's ice cream is currently sold in 65 stores in the Columbus area, in both independent and Kroger chain supermarkets. It sells for $2.19 a pint.



Ritzy's is shifting its emphasis from unit expansion to stronger unit management.

Webb said it took some time for other officials and himself to "smack ourselves on the back of the head and say, 'Maybe we should pay more attention to the customers.'" Among the goals set for the management thrust, he said, are eliminating waste, raising unit volumes, improving customer service and slashing operating costs from a bloated 68% last year to about 60% this year.

Webb said no company-owned stores would open until at least September. There are, however, eight franchised sites under construction and additional ones being looked at in Columbus, Cincinnati and Pittsburgh, said Thomas Santor, vice president of marketing. Ritzy's franchises 52 units. Plans still call for 30 additional franchised units by the end of fiscal 1985.

Ritzy's, which specializes in cooked-to-order burgers and premium ice cream served in an old-fashioned diner setting, was supposed to have grown to more than 135 units by now, according to past projections. Then, noted Webb, "We hit the Bermuda Triangle figure of around 100 units and saw we had to slow down, to tighten the bolts a little bit" and gear back "the almost crazy-type growth plan."

Webb said the reduced franchising pace would, "if anything, give [franchisees] comfort" by allowing them more time to prepare for openings.

Company planners, who have "not been as critical as they should have been" in site selection,will take longer looks than before, he said. Many sites chosen in the past were in "low- to middle-income, industrial areas" or "off the hub" of heavily trafficked corners. The concept is aimed at a more upscale market.

The chain lowered per-unit ice cream sales projections for this year to 24% to 29% of sales, compared with 32% last year. Prices on ice cream products were cut an average 18% last November. Ice cream sales, while not stagnant, have been near flat.

*(See **RITZY'S**, page 83)*

COMMODITIES

Canadian pork imports hurt U.S.; beef prices fall

***NRN* Special Report**

NEW YORK – The Department of Commerce's International Trade Administration made a preliminary finding recently that Canadian hog and pork imports are: (1) being subsidized to the tune of 18% of selling price and (2) that the low-cost imports are causing material injury to U.S. hog producers. Although the ruling is subject to approval by the International Trade Commission, packers are being required to place in bond $0.039 per pound for all imports between now and the final determination set for June 10.

Farmers hope the increase in price to the packers will discourage Canadian producers and cut down the influx into this country. However, two other possibilities could occur: (1) Canadian farmers may indeed find the added tariff makes marketing to this country uneconomic and may flood this country with meat as they cut back their herds, or (2) they may find the strong U.S. dollar continues to make our market look good, even with the duty. In either case, in the short term, not much will change. Some agricultural economists expect the Canadians to cut their prices to make the 18% rebate less of a deterrent for packers here. Last year Canadian imports were up 36% from 1983, to $404 million.

Beef fell to its lowest price in the past five years during late March. Lowered demand before Easter and more feedlot cattle ready for marketing brought the price down to $0.88 a pound at the Midwestern slaughterhouses. Nearly 5% more cattle are on feedlots now than there were a year ago, but placements are beginning to fall off and the price of feeder cattle is rising higher than normal for this time of year. That may presage the higher prices many agricultural economists expect by the end of summer or early fall.

Lamb demand is expected to exceed supply through the rest of this year, so expect lamb prices to climb further. Even increased imports of New Zealand lamb are not expected to hold down price rises.

Hams have been falling in price. Cured ham prices have been dropping with the increase in hog slaughter, making more "green" hams available for curing. For canned hams it has been a combination of that factor and the falling price of imported hams because of the strong U.S. dollar. Large Polish, Yugoslavian and Danish hams are at lows for the past several years, and domestic canned hams have followed suit. Supplies of all types of hams are better than they have been since 1982.

Poultry is also a bright spot for operators. Over the past year, broiler producers have steadily increased production, now running about 4% to 5% greater than in 1983. Low feed costs have been the big factor. Larger producers can operate profitably even at the lower prices broilers are now bringing as long as feed costs stay low.

Currently, however, there is an artificial shortage of grain in this country. Although bumper crops have occurred for the past two years, a major portion is either locked up in Federal storage or is being held by farmers as collateral against Government loans. Add to that a number of farmers holding wheat back from the market because they do not like the low prices (down 5% from last year's), and we have a "shortage," which could push wheat prices up by summer.

There is an actual shortage of soybean oil. In the past few years, several refining plants have been closed down, and supplies are not adequate for world demand. As a result, both exporters and local producers of margarines, frying fats, etc., are scrambling for supplies, driving up the price of both soybean oil and corn oil. The squeeze also pushed the price of cottonseed oil up at the beginning of this month.

PRICE MOVEMENT AT A GLANCE

	April 8, 1984	March 8, 1985	April 8, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.07	$0.94	$0.91
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.6106	$0.5286	$0.4847
Coffee, green beans, Brazilian, New York port (lb.)	$1.48	$1.42	$1.38
Eggs, Grade A, large white, Chicago (doz.)	$1.06	$0.60-0.62	$0.5659
Hams, domestic cured, 17-20 lb., Midwest (lb.)	$0.76	$0.68	$0.61
Hams, domestic canned, 12 lb. (lb.)	$1.51-1.55	$1.59-1.64	$1.52-1.56
Lettuce, iceberg, No. 1, Calif. (24s)	$3.00	$4.00-6.00	$3.00-6.00

Source: *NRN* research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

Nation's Restaurant News

FOCUS

Bartender Gregory Williams pours champagne at Petrossian, one of a growing number of restaurants specializing in the bubbly.

WINE, BEER & SPIRITS

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FOCUS NRN

COVER STORY

ALCOHOLIC BEVERAGES HOLD THEIR OWN

(Continued from page 1)

Independent operators, drawn from rankings of the nation's highest-volume and most highly regarded white-tablecloth establishments, proved to be the strongest performers.

About 82% of them said alcohol sales were the same as, or better than, they were a year ago. Sales-gainers beat sales-losers three-to-two, the widest margin of the survey.

The nation's biggest hotel chains, however, turned in the weakest record. While 29% of the food and beverage directors reported no change in their overall sales trends, gainers beat losers by only 35% to 33%.

Any sales slippage at hotel restaurants, moreover, can be particularly painful because hotels get 30% of their total take from alcoholic beverages, more than any other food-service segment, according to the survey.

Dinnerhouse chains in the survey, which represent a food and beverage sales volume of almost $1.8 billion a year, showed that 40% of them were holding steady, 32% were up and 26% down.

Independents in the survey earn 24% of their total sales volume from wines, beers and spirits. And chain dinnerhouses get 23%.

The survey was conducted by telephone in the first week of March by an affiliate of Lebhar-Friedman Inc. of New York, publisher of *Nation's Restaurant News*.

Other highlights from the poll include:

- The trend toward more consumption of vodka, rum, liqueurs and aperitifs continues. Bourbon, rye and Canadian whiskey are losing favor with drinkers, while gin, scotch and tequila are holding their own.
- About 76% of the establishments stock call brands, but only 34% promote them.
- The most brand-loyal drinkers are scotch drinkers. About 56% of the operators said scotch drinkers most often order their drink by name, while 40% said gin drinkers, 39% said vodka drinkers and 30% said rum drinkers.
- Restaurant bars are typically stocked with six brands of American beers and a dozen imported varieties. But only about 1 in 4 stocks low-alcohol beer and only 1 in 5 stocks nonalcoholic beer.
- The vast majority of operators stock both domestic and imported wines. California still holds a wide lead over New York State vintage, and France beats Germany and Italy on the imported side.
- White wines, whether U.S. or imported, continue to gain in popularity over red wines, without, however, cannibalizing red wine sales.
- Virtually all of the hotels and independents stock champagne, but only 7 out of 10 dinnerhouse chains do. But among those that have the bubbly, three-quarters offer it by the glass, and it is gaining popularity in half of them.
- Roughly two-thirds of the establishments—more in hotels—serve hors d'oeuvres or a limited menu at the bar. The most common snack is cheese, preferred five-to-three over chicken, shrimp, meatballs or pizza.

According to the study, the vast majority of operators stock both domestic and imported wines; white wine continues to gain in popularity over red.